GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4860
ANSWERED ON:16.12.2016
Prepaid Payment Instruments
Mahendran Shri C.

Will the Minister of FINANCE be pleased to state:

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UN STARRED QUESTION NO. 4860
TO BE ANSWERED ON 16TH DECEMBER 2016/25TH AGRAHAYANA SAKA, 1938
INCENTIVES TO INDUSTRY POST DEMONETISATION

4860. SHRI C. MAHENDRAN:

QUESTION
Will the Minister of FINANCE be pleased to state:
(a) whether the Government has increased the per month limit of Prepaid Payment Instruments(PPIs) to Rs.20,000 from Rs.10,000 and Rs.50,000 for merchant bank after demonetisation; and
(b) if so, the details thereof and the reasons therefor?

Answer

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) & (b): With a view to incentivizing Electronic Payments, Reserve Bank of India has vide circular DPSS.CO.PD.No.1288/02.15.006/2016-17 dated November 22, 2016 enhanced the limit of semi-closed Prepaid Payment Instruments (PPIs) from Rs. 10,000 to Rs. 20,000. Further, as a special dispensation for merchants, PPI issuers have been given permission to issue PPIs to the merchants who gave self-declaration in respect of their merchant status and details of their bank account details. Fund transfer from such PPIs are permitted only to the merchant's own linked bank account and up to an amount of Rs. 50,000/- per month without any limit per transaction.

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